

**AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COSTS AND FOREIGN-EXCHANGE RELATED COSTS BY
THE NATIONAL POWER CORPORATION (NPC)***

Billing Period Covered: 26 December 2011 - 25 January 2012

AUTOMATIC MONTHLY FUEL AND PURCHASED POWER COST ADJUSTMENT

LUZON

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 2,833,689,213.15 - 2,325,976,544.31 + 0.00
 = 507,712,668.84

$AFC^{/1}$ = FCB $\left(\frac{0.1751 Bn}{Bo} + \frac{0.0231 Dn}{Do} + \frac{0.1305 Cn}{Co} + \frac{0.2954 Sn}{So} + \frac{0.3759 NGn}{NGo} \right)$
 = 2,833,689,213.15

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 3,512,626,797.54 - 3,153,371,686.48 + 0.00
 = 359,255,111.07

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{0.3 USCPI_n}{USCPI_o} \right) \right] \frac{FX_n}{FX_o} + \frac{0.3 CPI_n}{CPI_o} \right\}$
 = $\left\{ \left[0.40 + \left(\frac{0.3 \times 225.672}{210.036} \right) \right] \frac{43.4038}{41.7429} + \frac{0.3 \times 175.50}{145.1} \right\}$
 = 3,512,626,797.54

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 507,712,668.84 + 359,255,111.07
 = 866,967,779.91

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{866,967,779.91}{128,511,773.00}$
 = 6.7462

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST

Billing Period Covered: 26 December 2011 - 25 January 2012

Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM

Current Month FPPCA(pesos)	866,967,779.91
Less: Previous Month FPPCA (pesos)	814,148,958.20
Net	<u>52,818,821.70</u>
Divide by Previous Month AFC + APPC (pesos)	6,293,497,188.99
Percent Change	<u>0.839%</u>
Previous Month FPPCA Rate	0.4289
Increase/Decrease	<u>0.0036</u>
Current Month FPPCA Rate	<u>0.4325</u>

VISAYAS

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 623,995,681.02 - 486,642,765.00 + 0.00
 = 137,352,916.02

$AFC^{/1}$ = FCB $\left(\frac{0.2041 Bn}{Bo} + \frac{0.0998 Dn}{Do} + \frac{0.5782 Cn}{Co} + \frac{0.1179 Sn}{So} + \frac{0.00 NGn}{NGo} \right)$
 = 623,995,681.02

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 798,312,806.19 - 716,665,090.00 + 0.00
 = 81,647,716.19

APPC = PPCB $\left\{ \left[0.40 + \left(\frac{3 USCPI_n}{USCPI_o} \right) \right] \left[\frac{FX_n}{FX_o} + \frac{.3 CPI_n}{CPI_o} \right] \right\}$
 = 716,665,090.00 $\left\{ \left[0.40 + \left(\frac{0.3 \times 225.672}{210.036} \right) \right] \left[\frac{43.4038}{41.7429} + \frac{0.3 \times 175.50}{145.1} \right] \right\}$
 = 798,312,806.19

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 $FCA_{\text{pesos}} + PPCA_{\text{pesos}}$
 = 137,352,916.02 + 81,647,716.19
 = 219,000,632.21

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{219,000,632.21}{195,388,496.00}$
 = 1.1208

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 December 2011 - 25 January 2012	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	219,000,632.21
Less: Previous Month FPPCA (pesos)	201,978,053.81
Net	<u>17,022,578.40</u>
Divide by Previous Month AFC + APPC (pesos)	<u>1,405,285,908.81</u>
Percent Change	1.211%
Previous Month FPPCA Rate	0.2338
Increase/Decrease	0.0028
Current Month FPPCA Rate	0.2366

MINDANAO

A. FCA_{pesos} = Fuel Cost Adjustment
 = AFC - FCB + OFCA
 = 703,934,285.91 - 472,498,595.00 + 0.00
 = 231,435,690.91
 $AFC^{/1}$ = FCB $\left(\begin{array}{l} \frac{0.9967 \text{ Bn}}{\text{Bo}} + \frac{0.0033 \text{ Dn}}{\text{Do}} + \frac{0.00 \text{ Cn}}{\text{Co}} + \frac{0.00 \text{ Sn}}{\text{So}} + \frac{0.00 \text{ NGn}}{\text{NGo}} \end{array} \right)$
 = 703,934,285.91

B. $PPCA_{\text{pesos}}$ = Purchased Power Costs Adjustment
 = APPC - PPCB + OPPCA
 = 613,551,344.27 - 550,800,170.00 + 0.00
 = 62,751,174.27
 APPC = PPCB $\left\{ \left(\begin{array}{l} 0.40 + \left(\frac{3 \text{ USCPI}_{\text{In}}}{\text{USCPI}_{\text{O}}} \right) \right) \left(\frac{\text{FX}_{\text{n}}}{\text{FX}_{\text{o}}} + \frac{.3 \text{ CPI}_{\text{In}}}{\text{CPI}_{\text{O}}} \right) \right\}$
 = 550,800,170.00 $\left\{ \left(\begin{array}{l} 0.40 + \left(\frac{0.3 \times 225.672}{210.036} \right) \right) \left(\frac{43.4038}{41.7429} + \frac{0.3 \times 175.50}{145.1} \right) \right\}$
 = 613,551,344.27

C. $FPPCA_{\text{pesos}}$ = Fuel and Purchased Power Costs Adjustment
 = FCA_{pesos} + $PPCA_{\text{pesos}}$
 = 231,435,690.91 + 62,751,174.27
 = 294,186,865.18

D. $FPPCA_{\text{rate}}$ = $\frac{FPPCA_{\text{pesos}}}{\text{Sales}}$
 = $\frac{294,186,865.18}{645,153,055.00}$
 = 0.4560

REVISED AUTOMATIC RECOVERY OF MONTHLY FUEL AND PURCHASED POWER COST	
Billing Period Covered: 26 December 2011 - 25 January 2012	
Per ERC Order dated 27 September 2010 under ERC Case No. 2008-019 RM	
Current Month FPPCA(pesos)	294,186,865.18
Less: Previous Month FPPCA (pesos)	258,344,877.49
Net	35,841,987.69
Divide by Previous Month AFC + APPC (pesos)	1,281,643,642.49
Percent Change	2.797%
Previous Month FPPCA Rate	0.0788
Increase/Decrease	0.0022
Current Month FPPCA Rate	0.0810

NOTES:

*Calculation is based on ERC Resolution Nos. 19 and 25 (amended Resolution19) dated 3 August 2009 and 14 December 2009, respectively, adopting the "Rules for the Automatic Recovery of Monthly Fuel and Purchased Power Costs and Foreign- Exchange Related Costs by the National Power Corporation.

/1 Refer to the posted graph for MOPS fuel prices

AFC = Adjusted Fuel Costs in pesos

FCB = Fuel Costs Base is equal to (1.6811 PhP/kWh x 16,603,247,000/12 kWh) for Luzon, (1.2789 PhP/kWh x 4,566,200,000/12 kWh) for Visayas and (0.8961 PhP/kWh x 6,327,400,000/12 kWh for Mindanao)

***OFCA** = Other Fuel Costs Adjustment in Pesos

APPC = Adjusted Purchased Power Costs in pesos

PPCB = Power Purchase Costs Base is equal to (2.2791 PhP/kWh x 16,603,247,000/12 kWh) for Luzon, (1.8834 PhP/kWh x 4,566,200,000/12 kWh) for Visayas and (1.0446 PhP/kWh x 6,327,400,000/12 kWh for Mindanao)

***OPPCA** = Other Purchased Power Costs Adjustment in pesos

***The above calculation does not incorporate the OFCA and OPPCA as we are waiting for the decision in PSALM's response**

to ERC Case No. 2010-055MC

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